

INVESTMENT MANAGER'S REPORT for the financial year ended 31 December 2015
Generali CEE Global Brands Fund

The Investment objective of the Fund
How the Fund achieves its investment objective

The investment objective of the Fund is to achieve long term capital appreciation through investment in a diversified portfolio of transferable securities. The Fund invests mainly in stocks of strong, world-renowned companies.

The main principles of the investment policy are:

1/ The weight rebalancing of each stock in the portfolio (equal weight approach) which induces a higher, risk-weighted yield in comparison with indices weighted by market value (the firm's size);

2/ Active portfolio management depending on fundamental analysis (the stability of financial ratios in time), horizontal analysis (the comparison within the scope of sector) and quantitative analysis (the analysis of statistical parameters alpha, beta and correlation);

3/ Risk currency hedging.

The Fund achieves its objective by investing primarily in the equity securities of companies which have in the opinion of the Investment Manager a significant position in the market, a comparative advantage over their competition and a strong global brand (a brand that is recognized in many countries worldwide). The Fund invests in securities of companies which operate anywhere in the world provided that the securities held by the Fund are primarily listed or traded on a Recognized Exchange (excluding the Russian markets). In seeking to achieve the objective and in accordance with the investment restrictions and policy, the parameters and diversification of stock or portfolio composition are flexibly adjusted by the Investment Manager according to market developments in order to profit from the current development of individual markets. In seeking to achieve its investment objective, the Investment Manager considers the significance of a company's position in the market, comparative advantages over competitors, strong global brand and positive conclusions of vertical fundamental analysis (stability of financial indicators in time) and horizontal fundamental analysis (comparison with the sector) of particular stocks and quantitative analysis. On average the portfolio consists of 50 companies that manage the strongest global brands according to the chart of the Interbrand Corporation updated on a yearly basis.

The derivatives used by the Fund include foreign exchange forwards and swaps (currency forwards and currency swaps) and are used for hedging purposes in the range of 85–105%. Details of the derivatives which may be used are set out in the derivatives risk management process filed with the Central Bank of Ireland. The Fund reinvests all income and gains and it is not intended to declare dividends.

Over the first half of the year the US equity markets, which represent the main part of the Fund's equity exposure, recorded a 1% gain after moving in a tight range, as negative factors (weak GDP and earnings growth) were offset by corporate equity buybacks and extension of zero-interest-rate-policy. European equity markets rebounded strongly during the first quarter of 2015 in expectation of the ECB quantitative easing programme and earnings recovery supported by an economic recovery. Emerging markets underperformed developed markets, as commodity prices remained weak along with a slowdown in the Chinese economy and as a number of emerging economies faced country-specific fiscal and/or monetary problems. In the late summer, global equity markets experienced a double digit double-bottom correction, triggered firstly by Chinese Yuan devaluation and secondly by the Fed's worries over the global economy, as Fed chair, Yellen, indicated that global developments overshadowed signs of strength in the United States. Market sentiment on equity markets significantly improved in October, mainly thanks to central bank (ECB, FED, PBoC) actions so equities managed to erase most of the recent losses. The US earnings season also contributed positively, as many companies (mainly from the IT and healthcare sectors) surprised positively.

INVESTMENT MANAGER'S REPORT for the financial year ended 31 December 2015
Generali CEE Global Brands Fund (continued)

The Investment objective of the Fund

How the Fund achieves its investment objective (continued)

Global equity markets were further supported by the ECB, as Draghi said that lowering of deposit rates was discussed and the Council indicated that it may consider adding monetary stimulus at its December meeting. In December, market volatility started to rise along with investors' nervousness regarding the Fed's outlook for the pace of interest rate hikes in 2016. EU markets also reacted sharply negatively to the ECB's decision that disappointed, as the market was apparently hoping for bolder action (expansion of monthly asset purchases). The market reaction to the first interest rate hike in the US in almost 10 years was rather positive, as the FOMC expects only gradual increases in the Fed funds rate and the statement emphasized the conditional nature of the outlook, despite the fact that the indicated path remains above current market expectations, which consist of only around two rate hikes in 2016. US equity markets as represented by the S&P 500 indexes, finished the year with a 4% gain, while the STOXX Europe 50 Indexes managed to deliver a 11% gain, despite some losses incurred in the second half of the year. Emerging markets represented by the broad-based MSCI Emerging Markets indexes lost 14% driven down by the negative developments in commodity-exporting economies, weak commodity prices and local currencies devaluation.

The Fund profited from exposure to developed markets and finished the year with more than a 7% gain. The Fund had kept a tactically neutral position until autumn, when we adopted a slight underweight position in equities. As regards to individual stock exposures, we are basically overweight in stocks whose brand value we expected to grow at an above-average pace and which we thought were priced at a relatively low valuations (based on P/E, P/CF etc.) in comparison to sector peers.

GENERALI CEE GLOBAL BRANDS A EUR			
Date	NAV per Share	Market Value (EUR)	Market Value (EUR)
31/12/2013	14.13	17,943,287.05	17,943,287.05
31/12/2014	14.81	17,224,620.59	17,224,620.59
31/01/2015	14.59	8,360,864.74	8,360,864.74
28/02/2015	15.43	8,847,647.52	8,847,647.52
31/03/2015	15.44	8,881,251.46	8,881,251.46
30/04/2015	15.54	8,918,703.56	8,956,293.05
31/05/2015	15.59	9,002,994.03	9,007,695.59
30/06/2015	15.10	8,734,995.88	8,734,995.88
31/07/2015	15.52	8,493,886.15	8,493,886.15
31/08/2015	14.52	7,956,076.24	7,956,076.24
30/09/2015	14.16	7,756,660.69	7,756,660.69
31/10/2015	15.59	8,527,635.95	8,527,635.95
30/11/2015	15.78	8,666,034.69	8,616,674.83
31/12/2015	15.37	8,386,073.86	8,386,073.86

GENERALI CEE GLOBAL BRANDS A PLN			
Date	NAV per Share	Market Value (PLN)	Market Value (EUR)
31/12/2013	57.63	323,196.69	77,730.92
31/12/2014	61.42	947,831.10	220,523.79
31/01/2015	60.51	1,077,494.29	257,328.66
28/02/2015	64.04	1,179,698.51	284,245.66
31/03/2015	64.09	4,308,441.65	1,058,047.31
30/04/2015	64.59	4,756,131.00	1,180,313.22
31/05/2015	64.85	4,510,217.47	1,093,651.42
30/06/2015	62.90	4,489,334.06	1,071,339.88
31/07/2015	64.68	4,669,193.33	1,125,381.80
31/08/2015	60.58	4,530,130.67	1,071,649.83
30/09/2015	59.08	4,450,529.15	1,048,514.82
31/10/2015	65.11	5,021,938.63	1,180,165.88
30/11/2015	66.03	5,139,504.50	1,198,083.06
31/12/2015	64.35	5,035,204.87	1,173,778.02

INVESTMENT MANAGER'S REPORT for the financial year ended 31 December 2015
Generali CEE Global Brands Fund (continued)

GENERALI CEE GLOBAL BRANDS A CZK			
Date	NAV per Share	Market Value (CZK)	Market Value (EUR)
31/12/2013	-	-	-
31/12/2014	298.22	41,142.53	1,484.47
31/01/2015	294.30	45,407.06	1,636.98
28/02/2015	311.71	96,496.37	3,510.57
31/03/2015	311.94	112,701.52	4,089.89
30/04/2015	314.61	123,950.72	4,537.36
31/05/2015	316.01	127,935.48	4,670.09
30/06/2015	306.40	129,732.31	4,759.18
31/07/2015	313.34	203,039.61	7,497.13
31/08/2015	292.85	206,606.49	7,640.66
30/09/2015	285.07	262,897.85	9,674.17
31/10/2015	313.76	284,271.12	10,491.77
30/11/2015	317.49	485,300.02	17,843.32
31/12/2015	308.59	454,677.12	16,826.36

The future market outlook for the Fund

Looking ahead, we anticipate 2016 to be characterized by a mediocre, albeit resilient economic recovery in EU, driven by the ECB's QE, low commodity prices and the weak euro. The US economy is starting to look fragile, due to the accelerated deterioration in the manufacturing sector (driven down by the fall in oil prices, somewhat weaker export demand from emerging markets (EM) and the strong USD) and more recently also due to weakening in some service sectors. Economic outlook for commodity importing emerging economies is more mixed. While Asian economies are negatively influenced by an ongoing slowdown in China, the CEE region profits from EMU economic recovery. On the other hand, commodity-exporting emerging economies are set to contract further, given the broad-based commodity oversupply, contributing to depreciation in local currencies, an increase in inflation and hence restrictive monetary policies in many cases. Low energy prices and a still negative output gap will continue to keep underlying inflation low in developed economies.

Regarding central bank policies, we expect ongoing strong support from major central banks, including the ECB, the Bank of Japan and the People's Bank of China. In the case of the Fed, given the accelerated deterioration in the US economy, the recently announced gradual normalization of monetary policy is increasingly uncertain.

There are a number of risks. Apart from uncertain global economic developments (mainly in the US and China), the major risk relates to the Fed. While it will likely proceed extremely carefully in normalizing its key rate, there is a clear risk that markets will overreact. In this case, US bonds and EM assets seem prone to suffer most. There is also increased/ high risk that the European integration will face more severe setbacks, given the UK's forthcoming referendum on EU membership, political uncertainty in the periphery and ongoing migrant issue risks eroding political cohesion over the medium term.

We see upside potential for equities in the euro area, underpinned by higher earnings, a weaker euro, decent valuations and dividend yield of around 3%. For the US, however, the equity cycle appears more mature, with already decreasing earnings and the normalization of monetary policy creating some headwinds to valuations. We continue to be cautious on the EM but at some time in 2016 there could be opportunities to buy as we think they are experiencing their hardest capitulation phase.

SCHEDULE OF INVESTMENTS as at 31 December 2015
Generali CEE Global Brands Fund

Description	Quantity	Currency	Acquisition cost EUR	Fair Value EUR	% of Net Assets
Listed securities : equities					
BELGIUM					
Anheuser-Busch InBev SA	1,500	EUR	60,145	171,600	1.79
			<u>60,145</u>	<u>171,600</u>	<u>1.79</u>
FRANCE					
AXA SA	8,800	EUR	176,932	222,024	2.32
Danone SA	2,652	EUR	127,967	165,167	1.72
Kering	900	EUR	104,039	142,155	1.48
LVMH Moet Hennessy Louis Vuitton SE	1,350	EUR	167,576	195,615	2.04
			<u>576,514</u>	<u>724,961</u>	<u>7.56</u>
GERMANY					
Allianz SE	1,100	EUR	150,450	179,905	1.88
Bayerische Motoren Werke AG	2,150	EUR	135,418	209,905	2.19
Daimler AG	2,600	EUR	113,434	201,708	2.11
SAP SE	2,900	EUR	145,037	212,802	2.22
Siemens AG	2,100	EUR	169,459	188,748	1.97
Volkswagen AG	1,500	EUR	218,203	200,625	2.10
			<u>932,001</u>	<u>1,193,693</u>	<u>12.47</u>
GREAT BRITAIN					
HSBC Holdings PLC	4,552	USD	148,349	165,394	1.73
			<u>148,349</u>	<u>165,394</u>	<u>1.73</u>
IRELAND					
Accenture PLC	2,500	USD	120,118	240,495	2.51
			<u>120,118</u>	<u>240,495</u>	<u>2.51</u>
JAPAN					
Canon Inc	6,300	USD	184,991	174,739	1.82
Honda Motor Co Ltd	6,300	USD	152,951	185,178	1.93
Sony Corp	7,000	USD	154,509	158,584	1.66
Toyota Motor Corp	1,950	USD	135,719	220,867	2.31
			<u>628,170</u>	<u>739,368</u>	<u>7.72</u>
NETHERLANDS					
Koninklijke Philips NV	8,000	EUR	160,531	188,480	1.97
			<u>160,531</u>	<u>188,480</u>	<u>1.97</u>
SOUTH KOREA					
Samsung Electronics Co Ltd	400	USD	172,952	195,710	2.04
			<u>172,952</u>	<u>195,710</u>	<u>2.04</u>

SCHEDULE OF INVESTMENTS as at 31 December 2015
Generali CEE Global Brands Fund (continued)

Description	Quantity	Currency	Acquisition cost EUR	Fair Value EUR	% of Net Assets
SPAIN					
Industria de Diseno Textil SA	6,000	EUR	138,114	190,140	1.99
			138,114	190,140	1.99
SWITZERLAND					
Nestle SA	3,000	EUR	150,845	208,980	2.18
			150,845	208,980	2.18
UNITED STATES OF AMERICA					
Alphabet Inc	300	USD	99,501	214,861	2.24
Amazon.com Inc	360	USD	65,266	223,990	2.34
American Express Co	1,700	USD	73,572	108,842	1.14
Apple Inc	1,850	USD	96,812	179,261	1.87
Cisco Systems Inc	8,600	USD	163,099	214,980	2.25
Citigroup Inc	3,000	USD	86,401	142,916	1.49
Coca-Cola Co	5,000	USD	145,309	197,735	2.06
Colgate-Palmolive Co	2,500	USD	82,366	153,319	1.60
eBay Inc	7,000	USD	120,234	177,078	1.85
Facebook Inc	1,950	USD	73,347	187,874	1.96
Ford Motor Co	14,800	USD	137,286	191,965	2.01
General Electric Co	7,400	USD	99,713	212,198	2.22
Goldman Sachs Group Inc	1,200	USD	135,426	199,094	2.08
HP Inc	12,200	USD	135,528	132,972	1.39
Intel Corp	6,800	USD	145,581	215,649	2.25
International Business Machines Corp	1,000	USD	124,248	126,687	1.32
JPMorgan Chase & Co	3,300	USD	120,230	200,588	2.09
Kellogg Co	2,900	USD	115,448	192,933	2.01
McDonald's Corp	1,400	USD	88,861	152,256	1.59
Microsoft Corp	4,100	USD	111,515	209,397	2.19
NIKE Inc	3,000	USD	55,429	172,604	1.80
Oracle Corp	5,000	USD	122,336	168,140	1.76
PayPal Holdings Inc	3,300	USD	52,097	109,970	1.15
PepsiCo Inc	1,900	USD	103,463	174,766	1.82
Procter & Gamble Co	2,513	USD	140,208	183,704	1.92
United Parcel Service Inc	2,050	USD	127,493	181,599	1.90
Walt Disney Co	1,800	USD	54,501	174,118	1.82
			2,875,270	4,799,496	50.12
Total listed securities : equities			5,963,009	8,818,317	92.08
Listed securities : bonds					
IRELAND					
VEB-Leasing OAO via VEB Leasing Invest Ltd 5.125% 27/05/2016	200,000	USD	184,373	183,719	1.92
			184,373	183,719	1.92
Total listed securities : bonds			184,373	183,719	1.92
Bond interest accrued				865	0.01
Financial assets at fair value through profit or loss			6,147,382	9,002,901	94.01

SCHEDULE OF INVESTMENTS as at 31 December 2015
Generali CEE Global Brands Fund (continued)

Description						Fair Value EUR	% of Net Assets
Financial Derivative Instruments							
Open Forward Foreign Currency Contracts							
Maturity	Counterparty	Currency Purchased		Currency Sold	Unrealised Appreciation/ (Depreciation)	% of Net Assets	
04-Jan-16	RBC IS Bank Luxembourg	EUR	116	PLN	494	1	-
05-Jan-16	RBC IS Bank Luxembourg	PLN	6	EUR	1	-	-
05-Jan-16	RBC IS Bank Luxembourg	EUR	18	CZK	480	-	-
05-Jan-16	RBC IS Bank Luxembourg	EUR	763	PLN	3,240	8	-
05-Jan-16	RBC IS Bank Luxembourg	EUR	52	PLN	220	1	-
19-Jan-16	RBC IS Bank Luxembourg	EUR	6,549,371	USD	7,000,000	108,396	1.13
29-Jan-16	RBC IS Bank Luxembourg	CZK	460,241	EUR	17,071	(43)	-
29-Jan-16	RBC IS Bank Luxembourg	PLN	4,985,112	EUR	1,173,889	(13,481)	(0.14)
29-Jan-16	RBC IS Bank Luxembourg	PLN	123,640	EUR	29,097	(316)	-
29-Jan-16	RBC IS Bank Luxembourg	PLN	3,460	EUR	814	(9)	-
Net profit on open forward foreign exchange contracts						94,557	0.99
Net financial derivative instruments						94,557	0.99
Cash and other net assets						479,220	5.00
Total net assets attributable to holders of redeemable participating shares						9,576,678	100.00